



South Central Idaho News

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA & TWIN FALLS COUNTIES

ECONOMIC TRENDS

The seasonally adjusted unemployment rate for June was 2.3 percent in the Twin Falls-Jerome Micropolitan Statistical Area, up three-tenths from May. The unusually low rate in May appears to be a statistical anomaly. In the past eight years, the rate from May to June has gone up only one other time, in 2003, reflecting the spring and early summer as the time employment is ramping up toward peaks in July, August and October. June's 2.3 percent rate more closely reflects circumstances in south central Idaho, where the retail sector is still going strong, consumers are spending on vacation travel so the hospitality and leisure industries are at peak levels and agriculture has a high demand for labor.

Water continues to be an issue in a region that definitely needs more than it currently has. Although the annual flush required for migrating salmon boosted flows temporarily, low flows in the Snake River generally are limiting hydrogeneration by Idaho Power, which must turn to high-cost energy on the open market during peak power usage. Even though there was a threat of rolling brownouts earlier this summer, the real peak demand for power will be at the end of August. The Twin Falls Canal Co. has drawn down 113,000 acre-feet of stored water since May to supplement natural flows that have been reduced by poor winter snow pack. American Falls Reservoir is at 33 percent full compared to 65 percent a year ago. Jackson Lake is at 90 percent, down from 98 percent last year. These are the two main reservoirs serving Twin Falls surface water users, and unless there is record rainfall in the next month, yields will suffer in a bunker year when commodity prices across the board are high.

South Central Idaho Table 1: Twin Falls-Jerome MicSA Labor Force & Employment—Twin Falls and Jerome counties

	Jun 2007*	May 2007	Jun 2006	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	48,730	48,660	49,910	0.1	-2.4
Unemployment	1,120	980	1,560	14.3	-28.2
% of Labor Force Unemployed	2.3	2.0	3.1		
Total Employment	47,610	47,680	48,350	-0.1	-1.5
<i>Unadjusted</i>					
Civilian Labor Force	49,170	48,750	50,200	0.9	-2.1
Unemployment	1,010	760	1,450	32.9	-30.3
% of Labor Force Unemployed	2.1	1.6	2.9		
Total Employment	48,160	47,990	48,750	0.4	-1.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	40,970	40,580	39,410	1.0	4.0
<i>Goods-Providing Industries</i>	7,720	7,480	7,180	3.2	7.5
Natural Resources & Mining	40	40	40	0.0	0.0
Construction	2,610	2,490	2,460	4.8	6.1
Manufacturing	5,070	4,950	4,680	2.4	8.3
Food Manufacturing	2,760	2,640	2,560	4.5	7.8
Other Manufacturing	2,310	2,310	2,120	0.0	9.0
<i>Service-Providing Industries</i>	33,250	33,100	32,230	0.5	3.2
Trade, Transportation & Utilities	9,840	9,840	9,660	0.0	1.9
Wholesale Trade	1,930	1,900	1,920	1.6	0.5
Retail Trade	5,740	5,720	5,790	0.3	-0.9
Utilities	150	150	170	0.0	-11.8
Transportation & Warehousing	2,020	2,070	1,780	-2.4	13.5
Information	670	650	640	3.1	4.7
Financial Activities	1,640	1,620	1,710	1.2	-4.1
Professional & Business Services	5,000	4,960	5,000	0.8	0.0
Educational & Health Services	5,230	5,120	3,420	2.1	52.9
Leisure & Hospitality	3,470	3,380	3,300	2.7	5.2
Other Services	1,510	1,480	1,450	2.0	4.1
Government Education	3,280	3,550	2,960	-7.6	10.8
Government Administration	2,610	2,500	4,090	4.4	-36.2

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Sometimes when bills are piling up, it is worth analyzing whether there really is reason to be alarmed. A study by Best Places states the components a best place include transportation, groceries, housing, utilities, recreation and real estate. Looking at local communities, it is clear why towns such as Rupert, which provides some of its own utilities, would have a lower cost of living than Minidoka or Jerome.

South Central Idaho Table 2: Cost of Living Index for Idaho Cities and Selected western Cities

Idaho Cities	Cost of Living Index
Boise	91.8%
Burley	82.8%
Caldwell	82.6%
Coeur d'Alene	96.5%
Gooding	79.3%
Heyburn	81.7%
Idaho Falls	85.3%
Jerome	83.9%
Ketchum	184.0%
Lewiston	92.0%
Minidoka	88.2%
Pocatello	83.3%
Rupert	80.4%
Twin Falls	85.4%
Other Cities	
Las Vegas	130.8%
Liberty Lake , Wash.	109.9%
Los Angeles	147.8%
Phoenix	121.4%
Portland	112.3%
Reno	137.9%
Salt Lake City	96.5%
San Diego	152.1%
San Francisco	200.5%
Spokane	91.9%
Tucson	97.8%

Ketchum, Coeur d'Alene and Boise all have higher land prices, providing a hint of the real estate and housing prices that are the primary drivers for the cities with cost of living indices way out of whack.

CAMAS COUNTY

- Fairfield was "Capitol for a Day" in July, and city leaders and citizens showed up to meet and talk with Governor C.L. "Butch" Otter. A mock terrorism exercise was conducted by members of the National Guard. The two greatest concerns voiced were the methamphetamine problem and the cost of bringing power to new areas.

TWIN FALLS

- The Pita Pocket opened its doors in July with eventual plans for a drive-through. Apparently, there was some pent up demand for a new place for lunch. The lines have been winding out the front door.

- St. Luke's Magic Valley Regional Medical Center is creatively dealing with the dual problems of an inadequate health care work force and patients needing more attention. Remember the hospital auxiliary and the candy strippers. Well, this new cadre of volunteers spends time with patients who are recovering and may feel reassured when there is someone in the room with them. They may be reading to the patient, writing thank you notes or letters for them or just chatting. The companionship is a huge benefit to the patients and has been found to really help with recuperation.
- Starbucks is coming to town in a stand alone location on Twin Falls busiest thoroughfare, Blue Lakes Boulevard.
- Mi Pueblo is moving into a new 10,800-square-foot building in mid-August. Along with its Mexican bakery and market, there is a taqueria serving authentic Mexican food such as pozole, menudo, carnitas, burritos and tacos del hambre, a mixture of spicy meat and cheese. The tortilla makers are 6 feet by 6 feet and stand 4 feet high. The corn tortilla maker puts out 8,400 tortillas an hour while the flour tortilla maker turns out nearly 4,600. The mixer has a 180-quart capacity. Currently, there are three Mi Pueblo stores in the valley. Tortillas are made fresh daily, and Mi Pueblo makes 12,000 flour tortillas a day and about 24,000 corn tortillas.

BLAINE COUNTY

- Over the last four years, the city of Carey has been gaining a presence in the Wood River Valley as an alternative to the escalating price and disappearing open property in the more populated communities of Bellevue, Hailey and Ketchum. The city's population has been stable – 513 in 2000 and 508 in 2006. But the city currently has at least two new subdivisions with lots available for construction, and there are 25 applications for subdivisions waiting for the stamp of approval from Carey's Planning and Zoning Commission. This would add approximately 1,000 lots to an inventory that has yet to be absorbed. Another subdivision with 66 lots has been approved but has not broken ground yet. That developer does not believe the project will take off for a couple of years, considering the recent softening of the residential housing market. Lots of less than a quarter acre are averaging \$75,000 to \$90,000. The first subdivision was developed in 2003 and has sold in four phases. It is about 55 percent completed. Another subdivi-

sion located on Highway 20 just west of Carey that has been advertising since October has seen little activity.

- The annual Allen & Co. Sun Valley Conference was held at the resort's lodge again this summer, flooding the valley with myriad jets and high-profile attendees including Tony Blair and Gov. C.L. "Butch" Otter.

MINI-CASSIA

- DOT Foods announced it will build a facility to redistribute food to smaller retailers. The company will be using urban renewal money to build the distribution center west of Burley and adjacent to Boise Cascade and Pacific Ethanol. The approximately 100 warehouse and assembly line employees will be earning between \$12 and \$14 an hour with benefits, while the truck drivers will be earning approximately \$55,000 a year with benefits. Minidoka and Cassia counties have been trying to offset the losses in wages and other economic activity following the closures of Simplot and Kraft.
- Historic detail is being restored to the Rupert Court House as part of a remodel of the building, which dates back to 1915. The remodel will make better use of space and will include an elevator to accommodate the disabled and repairs to the roof, electrical, plumbing, communications, heating, ventilation and air conditioning systems. The project will take up to three years and is being financed as money becomes available. The first

phase, which includes the roof, electrical, skylight and heating and cooling repairs, will run between \$200,000 and \$250,000.

- The 2007 Idaho International Dance and Music Festival returned to Burley this July with over 300 dancers from countries as diverse as Croatia, Peru and the Philippines. Host families assisted the dancers with lodging, food and transportation. The cultural exchange was an inevitable benefit to local families and dancers alike.
- The Cassia County Sheriff's office is using its school-related officers to cover the town and parks on bicycles this summer. These are officers trained in dealing with juveniles so what better way to ensure the parks and recreational areas are safe havens for kids. The officers can also guarantee that the kids respect the public areas provided by taxpayers.
- A new subdivision for seniors has been approved by the Rupert City Council. The subdivision for those 55 and older involves 14 individually owned, two- and three-bedroom townhouses. The price range will be \$175,000 to \$200,000. This concept has been popular in other areas, particularly when the yard maintenance and snow removal is included in an association fee.

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Personal Income Soared in Idaho's Metropolitan Areas in 2006

Total personal income soared in Idaho's three largest metropolitan areas during 2006, underscoring a steady migration of people and money to the state's urban areas.

The U.S. Bureau of Economic Analysis estimated Tuesday the annual increase in personal income – the total of all wages, business owner profits, investment earnings and transfer payments like Social Security – approached double digits in the Boise, Coeur d'Alene and Idaho Falls metropolitan areas.

Income was up 9.9 percent in the five-county Boise metro area, 9.8 in Coeur d'Alene and 9.1 percent in the two-county Idaho Falls area. That compared to a statewide increase of 7.9 percent, eighth highest in the nation, and a national increase of 6.6 percent.

Unemployment in all three metro areas dropped significantly during 2006, tightening the labor force and putting significant upward pressure on wages.

Personal income growth lagged in the other two metro areas, rising just 6.6 percent in the two-county Lewiston area and 6 percent in the two-county Pocatello area.

Income for the five metropolitan areas combined rose 9.3 from 2005, twice the growth rate for the rest of the state.

Those five urban areas claimed over 70 percent of the nearly \$44 billion in personal income posted statewide in 2006, up from 69 percent in 2005 and 68.6 percent in 2004. Together, the five metro areas accounted for 65.6 percent of Idaho's total population in 2006, up from a full percentage point from 2004.

Income rising faster than population provided the same disparity in the growth of per capita income – the amount of income attributed to every man, woman and child in Idaho. Metropolitan per capita income rose 5.7 percent to \$31,992 in 2006 while the rest of the state saw just a 3.3 percent increase to \$26,001.

Nationally, per capita income was up 5.3 percent to \$36,307.

Coeur d'Alene led the boost in per capita income at 6.7 percent to \$28,765, but the Boise metro area remained the highest at \$34,326 after an increase of 5.5 percent.

To see a chart showing personal and per capita income for the United States, Idaho, the metropolitan U.S. and Idaho's five metro areas for 2004, 2005 and 2006, go to labor.idaho.gov/news and select the article on personal income.